R E P O R T R E S U M E S

ED 017 376 RC 002 318

INCOME OPPORTUNITIES FOR RURAL FAMILIES FROM OUTDOOR RECREATION ENTERPRISES.

BY- BIRD, RONALD INMAN, BUIS T.
DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

REPORT NUMBER AER-68 PUB DATE MAR 65
EDRS PRICE MF-$0.25 HC-$1.52 36P.

DESCRIPTORS- BUSINESS, CAPITAL, ECONOMIC DISADVANTAGEMENT, LOW INCOME, *OPPORTUNITIES, OUTDOOR EDUCATION, PUBLIC FACILITIES, RECREATION FINANCES, *RECREATIONAL FACILITIES, RURAL DEVELOPMENT, RECREATION, RURAL FAMILY, *RURAL AREAS, SUMMER PROGRAMS,

MANY LOW INCOME AREAS OF THE U.S. POSSESS NATURAL ATTRACTIONS WHICH CAN BE USED AS A BASIS FOR ESTABLISHING EITHER PART OR FULL-TIME RECREATIONAL ENTERPRISES. THE SUCCESS OF PEOPLE UNDERTAKING THESE TYPES OF BUSINESS VENTURES DEPENDS ON THEIR MANAGERIAL ABILITY IN ASSESSING DEMAND, ACQUIRING THE NECESSARY CAPITAL, BUILDING APPROPRIATE FACILITIES, SATISFYING CUSTOMERS, AND MAINTAINING RELATIVELY LOW COSTS. THIS REPORT SUMMARIZES DATA OBTAINED FROM STUDIES ON RECREATIONAL ENTERPRISES IN 6 AREAS OF THE U.S. WHICH WERE MADE TO DETERMINE THEIR FINANCIAL SUCCESS. CASH INCOME EXCEEDED EXPENSES FOR 86 PERCENT OF THE 254 RECREATIONAL ENTERPRISES ANALYZED, BUT MOST OF THE BUSINESSES RETURNED LESS THAN $10 PER DAY TO OPERATOR AND FAMILY LABOR. SUCCESSFUL OPERATORS ATTRIBUTED THEIR SUCCESS TO--(1) LOCATION ON OR NEAR A PAVED ROAD OR NEAR A PUBLIC RECREATIONAL AREA, (2) ADVERTISING, (3) WELL-TRAINED EMPLOYEES, (4) A VARIETY OF FACILITIES TO INTEREST THE ENTIRE FAMILY, (5) WELL-DEVELOPED COMMUNITY ENTERPRISES THAT ENCOURAGE A LONGER SEASON, (6) AN ATTRACTIVE FACILITY, AND (7) GOOD SERVICE AND CATERING TO INDIVIDUAL WISHES OF CUSTOMERS. THOSE RECREATIONAL BUSINESSES CAPABLE OF YEILDING ENOUGH INCOME TO SUPPORT A FAMILY REQUIRED FULL-TIME EFFORTS OF AT LEAST ONE WORKER AND AN INVESTMENT OF OVER $50,000. THEY INCLUDED YOUTH CAMPS, MINNOW FARMS, SHOOTING PRESERVES, DUDE RANCHES, AND RECREATIONAL COMPLEXES. (ES)

ED017376

Aaricultural Economic Report No. 68

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY.

INCOME OPPORTUNITIES for RURAL FAMILIES from outdoor recreation enterprises

RC002318

U.S. Department of Agriculture • Economic Research Service
Resource Development Economics Division

CONTENTS

	Page
Summary	iii
Introduction	1
The Demand for Recreation on Private Rural Lands	2
The nature of demand	2
Period of demand	2
Irregular demand	2
Characteristics of users	3
Demand must be created	3
Conditions Influencing the Supply of Recreational Facilities	3
Natural characteristics of areas	4
Public recreational facilities	4
Community attitude	4
Liability risks	5
Ease of entry	5
Investment and Returns for Recreation Enterprises	5
Capital investment	5
Income and expenses	6
Analysis of Specific Enterprises	6
Fishing waters	9
Fishing guide service	10
Vacation farms	10
Hunting areas	11
Shooting preserves	12
Campgrounds	13
Picnic grounds	14
Riding stables	15
Organized summer camps	15
Live-bait production	17
Sale of building sites	17
Recreational complexes	18
Appendix	19
Investment, expense, and income statements depicting the characteristics of successful enterprises	19
Selected Bibliography	29

Washington, D. C. March 1965

SUMMARY

Demand for outdoor recreation is expanding rapidly. Much of this demand can be satisfied by the establishment of recreational facilities on private land.

This report summarizes data obtained from studies on recreational enterprises in 6 areas of the United States (Arkansas, Missouri, New England, Ohio, Oregon, and South Carolina), which were made to determine their financial success and to identify the characteristics of users.

Demand is classified by length of stay: (1) 1 day, (2) weekend, and, (3) weekly or monthly. The length of stay and the composition of the visiting party govern the services desired. The demand for different kinds of recreation may change rapidly and make many facilities obsolete in a short time. However, demand for a particular type of recreation often does not develop until facilities and services are provided and advertised. Thus, developers must anticipate demand when they develop the facility. Also, the individual operator must attract visitors to use his facilities.

Accessibility, climate, topography, water, wildlife, and vegetation are the natural characteristics that determine the desirability of an area for outdoor recreation. Public facilities for specific activities often provide the focus around which private developers locate other facilities. They thus complement each other. An attractive and friendly community that provides general services encourages both public and private agencies and individuals to develop recreational facilities there.

When a fee is charged the visitor, the operator of a recreational facility is more vulnerable to liability risks. Several methods have been developed for limiting or transferring liability.

Cash incomes exceeded cash expenses for 86 percent of the 254 recreational enterprises analyzed. Three-fifths of the enterprises showed a return to operator, family labor, and management after imputing a 5-percent return to capital investment. Most of the businesses returned less than $10 per day to operator and family labor.

Major causes for small returns were: (1) Small size of the enterprise; (2) low customer use in relation to capacity in peak season; and (3) short season or weekend use only.

Successful operators attributed their success to: (1) Location on or near a paved road or near a public recreational area; (2) advertising; (3) well-trained employees; (4) a variety of facilities to interest the entire family; (5) well-developed community enterprises that encourage a longer season; (6) an attractive facility; and (7) good service and catering to individual wishes of customers.

Those recreational businesses capable of yielding enough income to support a family required full-time efforts of at least one worker and an investment of

over $50,000. They included youth camps, minnow farms, shooting preserves, dude ranches, and recreational complexes.

Some enterprises returned satisfactory incomes for part-time efforts of the operator. These enterprises were usually supplementary to farming, and the capital investment was usually less than $15,000. Most often in this category were picnicking areas, campgrounds, vacation farms, hunting areas, and guide services.

Many low-income areas of the United States possess natural attractions which can be used as a basis for establishing either part-time or full-time recreational enterprises. Modern highway networks and other means of rapid transit are making these areas more accessible. Farmers and rural residents can gain considerable income by providing recreational services to urban visitors. Their success depends on their managerial ability in assessing demand, acquiring the necessary capital, building appropriate facilities, satisfying customers, and in maintaining relatively low costs.

INCOME OPPORTUNITIES FOR RURAL FAMILIES FROM OUTDOOR RECREATION ENTERPRISES

By Ronald Bird and Buis T. Inman
Resource Development Economics Division
Economic Research Service

INTRODUCTION

In its program of Rural Areas Development, the U. S. Department of Agriculture is searching for ways to raise the level of income of rural people and to expand their opportunities for employment. One segment of the program is to explore the income-producing possibilities for outdoor recreation enterprises.

More than 17 million out of 35 million people with substandard incomes live in rural areas. 1/ Approximately 6 million of these people live on farms; many of them are of limited employability. 2/

There is a rapidly increasing demand for outdoor recreation and a need for accessible facilities to satisfy it. Many of these facilities will be developed on private land, since most of the rural land near metropolitan centers is privately owned, and most of the public lands are in the West, some distance from major population centers.

In order to provide the economic information needed in such a program, the Economic Research Service initiated research in 6 representative areas of the United States. An analytical report was made on each area: Arkansas, Missouri, New England, Ohio, Oregon, and South Carolina (3, 12, 13, 16, 17, 25). 3/ These reports provide economic data on different types of recreational enterprises. Detailed data were assembled on the characteristics of the various facilities, their capital requirements, their expenses and returns.

This report summarizes the information obtained from 254 recreational businesses in the 6 study areas. Data from the six studies is supplemented by data from other sources as indicated in the references. The types of enterprises analyzed are those that may be developed by a farmer.

1/ By Administrative definition, below $3,000 a year is substandard income.

2/ Inman, Buis T. The Association of Economic and Social Problems with Resources and Development Areas. Talk before Natl. Workshop of Sociologists in Ext. Raleigh, N. C, June 1964. (Mimeo.)

3/ Underscored numbers in parentheses refer to items cited in Selected Bibliography, p. 29.

THE DEMAND FOR RECREATION ON PRIVATE RURAL LANDS

The demand for recreation is complex. Yet, there are characteristics that can provide guides for evaluating the demand for specific enterprises in a particular area. The recreational business differs from agricultural commodity production in that the consumer must come to the facility to obtain the product or service. The desire for recreation must be sufficient to induce a person to travel to the farm to spend his time and money.

The Nature of Demand

Studies made by the Outdoor Recreation Resources Review Commission (ORRRC) have shown that the demand for recreation is increasing at a faster rate than the population. Still, the main concern of the commercial operator is how to induce visitors to use his facilities.

Another aspect is the variableness of recreational demand. Consumer tastes change, and a facility may lose its appeal in a short time. Changes in demand also vary in different areas of the country. Within an enterprise, there is often change in type of facility desired and a need for its upgrading. For example, the simple cabin for fishermen has been superseded by modern lake resorts. This changeableness of the public makes it necessary that an operator be alert to changing demand and aware that most recreational facilities will depreciate rapidly.

Period of Demand

Visits to a recreational facility may be classified according to length of stay: One day, weekend (2-3 days), and weekly or monthly. Those seeking only a day's outing usually remain in the local area. They will probably participate in such activities as hunting, fishing, golfing, horseback riding, or picnicking. The distance traveled will normally not require more time than an hour each way. Mainly, the clientele comes from sizable population centers and includes members of families coming singly.

The weekend recreationist normally travels farther, up to a half day each way. He requires overnight accommodations and brings the entire family most of the time. A variety of activities is required to interest all family members. The family may provide its sleeping and eating accommodations as in camping, or require that living quarters and meals be provided.

Vacationers who stop for a week or more are usually family groups. They require a still greater variety of facilities, both for living and for entertainment.

Irregular Demand

Demand for outdoor recreation is predominantly summer oriented. This is in part a result of the 9-month school pattern, in part the influence of weather, and in part, a result of custom. This seasonal nature adds greatly to

the costs per user. Many areas in the United States have a more pleasant climate and more attractive scenery in the spring and fall than in the summer. The wider use of air conditioning and a greater development of winter activities could spread vacations throughout the year. Yet, such activities as childrens' camps and vacation farms where children are involved will necessarily have summer peaks to fit the school year.

In addition to seasonality of demand, there is the preponderance of weekend demand. Many operators have more guests on Saturdays and Sundays than during the 5 weekdays. This causes high cost per day of use.

Characteristics of Users

The ORRRC has classified recreationists by characteristics that affect demand, such as income, age, sex, and education. To these characteristics can be added family size and group composition. The following tabulation indicates the types of persons most apt to be interested in specific facilities:

Kind of facility	Families	Adult males	Girls	Boys	Young adults
Fishing waters		X		X	
Shooting preserves		X			
Hunting areas		X			
Ski resorts	X				X
Picnic grounds	X				X
Campgrounds	X	X			
Vacation farms	X	X			
Organized camps			X	X	
Riding stables			X	X	X
Water skiing areas					X

Demand Must be Created

In the past, many recreational facilities have been considered as free goods. People could fish, hunt, swim, picnic, and hike on farmland at no cost. Currently, however, many operators are charging small fees for these privileges.

The demand for some kinds of recreation is not evident until the facilities and services are provided. This means that the developer of recreational facilities must anticipate and create a demand and develop a facility that can expand with it.

CONDITIONS INFLUENCING THE SUPPLY OF RECREATIONAL FACILITIES

Many conditions influence individuals in establishing recreational facilities as commercial ventures. An evaluation of these conditions will help the

farmer decide whether to establish a recreational enterprise and the kind he should undertake.

Natural Characteristics of Areas

Usually an individual is attracted to an area by one or more of its natural characteristics. The most important of these are accessibility, climate, topography, water, wildlife, vegetation, and historical sites of interest. Many areas may have one or more of these characteristics, but often lack a combination that makes them attractive to many people.

Accessibility is a major factor in determining the success or failure of a recreational area. Nearness to large population centers and availability of good transportation assure its use. Distance is measured in time more often than in miles.

Climate is important as outdoor recreation is seasonal. For water sports, the temperature must be warm. Hikers prefer a cool, dry climate. In contrast, winter sports require substantial amounts of snow or ice.

A rough topography with scenic appeal attracts people. Battlefields, forts, old buildings, and other landmarks also draw people to an area.

Areas where there is water suitable for sports, such as swimming, boating, water skiing, and fishing, appeal to many.

An abundant and varied wildlife in its natural setting interests people in different ways. Some like to hunt or fish, while others like to observe and photograph animals and plants in their natural habitat.

Each of these characteristics is important. A combination of these enhances the attraction of an area.

Public Recreational Facilities

In many areas, public facilities are provided for specific activities. For example, State and national parks provide scenic areas, campsites, cabins, and picnic grounds. These attract many people and may create a need for private facilities such as eating and sleeping accommodations. Private capital may also be used to construct additional facilities to increase the variety of entertainment. People are attracted to the area through the complementary relationships of the public and private developments.

Community Attitude

The attitude of the community toward recreational enterprises affects the decisions of prospective developers and also the success of the business. A clean, attractive, cooperative, and friendly community which provides needed services attracts visitors and encourages both public and private developers.

Liability Risks

Some farmers have not entered the recreation business because they fear claims for injury from patrons. Although liability risks are always involved in ownership of property, the owner is in a more vulnerable position when he charges a fee.

The farmer may limit or transfer liability claims by: (1) Warning the guests of dangerous conditions; (2) excluding unruly guests; (3) incorporating his business; and (4) carrying liability insurance (6). The first 2 reduce the chance of injury, while incorporation limits liability to the value of the assets of the corporation. Liability insurance transfers risk to a professional risk bearer for a fee. Yet, for enterprises such as riding stables, the cost of insurance may be prohibitive. For this high-risk enterprise, incorporation and ample precautions may be the least expensive protection.

Ease of Entry

There are many recreational enterprises which a farmer can enter with relative ease and small investment. Most farmlands can provide some kinds of recreational opportunities, such as camping, picnicking, fishing, and hunting. The sale of entry rights for these activities may involve only the owner's signature or statement. Some advertising that the right is for sale may be the only expense. If the owner wants to attract large numbers of guests, however, he may need to advertise extensively and to improve the site. Because of the ease of entry, the number of enterprises may fluctuate considerably from year to year.

Some other outdoor recreational businesses, such as shooting preserves and boys' and girls' camps, require a large initial investment and skilled management. This limits the number of businesses.

INVESTMENT AND RETURNS FOR RECREATION ENTERPRISES

The 6 area studies provided economic data for 24 kinds of outdoor recreation enterprises. This report presents a summary of the data for the 12 most common of these. For fishing waters and vacation farms, the data are separated into 2 subgroups. A summary is also included for recreation complexes. Major items for each kind of enterprise are capital investment, cash income, cash expenses, net cash income, and income to the operator, family labor and management.

Capital Investment

There were variations in capital investment both within an enterprise and among enterprises. The average investment was over $50,000 for enterprises which provided a major source of income. These enterprises included recreation complexes, youth camps, minnow farms, shooting preserves, and large vacation farms or dude ranches. In contrast, those which provided a supplemental income

required relatively little capital. Among these enterprises were guide services, vacation farms, and hunting areas. An example of extreme variation in capital investment within the same enterprise is illustrated by trout lakes where investment ranged from $1,626 to $105,100 (table 1). Frequently, the operator starts with a small investment and enlarges it as demand for the service grows.

A secondary use, for recreation, of the physical resources on the farm can give more intensive use and thus lower the investment costs. For example, the farm home can be used for vacationers and the farmlands for hunting, hiking, or horseback riding. In addition, the farmer can supplement his income in slack seasons by providing guide service to hunters and fishermen.

Income and Expenses

Approximately 86 percent of the enterprises surveyed had cash incomes that exceeded expenses. The cash income tended to be low when the enterprise had: (1) A small capacity, (2) low customer use in relation to capacity, (3) a short season, and (4) weekend use only. Some operators felt they might be able to increase income by: (1) Enlarging the enterprise, (2) advertising, (3) attracting nonseasonal patrons, and (4) catering to midweek customers.

The major reason for a small or negative cash income was not enough customers. Some operators had low operating costs because they used family and part-time help; also by using public lands for riding or hiking trails.

Depreciation on facilities and equipment was not included in the financial computations. Yet, the depreciation can be a considerable cost, depending on the kinds of facilities and equipment and their obsolescence.

About 60 percent of the enterprises showed a positive return to operator and family labor and management after allowing a 5-percent return on capital investment. These enterprises tended to have been in operation several years. During this period, the successful operators had been expanding demand for their venture through satisfactory services and advertising. Repeat business was important.

Returns per day to operator and family labor and management were extremely small after deducting a 5-percent interest charge on the capital investment. Returns ranged from a low of minus $15.27 per day for picnic areas to a high of $32.92 per day for real estate development areas. With but 4 exceptions, average returns per enterprise ranged from $0.66 to $10. Kinds of enterprises which most often showed a positive return to family labor and management were guide services, hunting areas, youth camps, and real estate developments. The first 2 yielded supplementary income with small capital investment, whereas, the latter 2 required considerable capital investments and "know how".

ANALYSIS OF SPECIFIC ENTERPRISES

The economic data gathered in the 6 study areas indicate that some characteristics apply to all enterprises, while others apply to only one. Several

Table 1.--Investment, income, and expenses for recreational enterprises in Arkansas, Missouri, New England, Ohio, Oregon, and South Carolina, 1962

Enterprise	Number reported	Capital investment		Annual cash income		Annual cash expenses 1/		Net cash income		Return to management and family labor 2/	
		Average	Range	Average	Range	Average	Range	Average	Range	Average	Range
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Fishing lake (warm water)	35	14,379	3,250 to 48,330	1,254	55 to 7,000	716	20 to 5,049	538	-260 to 2,200	-181	-1,160 to 1,426
Fishing lake (trout water)	10	39,267	1,626 to 105,100	9,953	450 to 30,000	6,426	52 to 26,021	3,527	28 to 7,665	1,564	-1,749 to 4,830
Guide service	8	1,750	0 to 7,500	2,301	500 to 8,450	807	4 to 4,660	1,494	238 to 2,740	1,406	196 to 3,469
Vacation farm or dude ranch 3/	12	50,277	9,365 to 130,000	7,034	400 to 32,500	5,322	54 to 27.936	1,712	-600 to 4,564	-802	-1,100 to 1,757
Vacation farm 4/	7	206	0 to 960	757	42 to 2,650	413	54 to 1,325	344	-12 to 1,325	334	-12 to 1,322
Hunting area	22	3,250	0 to 23,000	2,170	75 to 11,000	1,261	0 to 6,950	909	75 to 3,850	746	75 to 2,567
Shooting preserve	10	62,728	11,750 to 152,850	20,877	2,500 to 50,600	17,386	4,953 to 45,000	3,491	-3,440 to 14,850	355	-8,050 to 11,625
Campground	19	12,262	1,205 to 34,800	2,184	125 to 9,600	575	0 to 2,502	1,609	-446 to 7,819	996	-1,215 to 7,134
Picnic area	8	15,047	700 to 83,150	446	50 to 1,468	202	8 to 857	244	-150 to 792	-508	-3,985 to 592
Riding stable	15	17,644	5,115 to 40,000	4,369	400 to 21,000	2,353	368 to 6,200	2,016	-2,290 to 15,210	1,134	-3,985 to 13,210

Continued --

Table 1.--Investment, income, and expenses for recreational enterprises in Arkansas, Missouri, New England, Ohio, Oregon, and South Carolina, 1962 -- Continued

Enterprise	Number reported	Capital investment		Annual cash income		Annual cash expenses 1/		Net cash income		Return to management and family labor 2/	
		Average	Range	Average	Range	Average	Range	Average	Range	Average	Range
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Youth camp	6	69,147	7,460to 140,000	25,472	6,300to 56,000	17,124	3,270to 44,280	8,348	3,030to 23,090	4,891	1,215to 16,880
Minnow farm	11	67,316	2,490to 503,000	19,009	50to 160,000	10,948	54to 91,400	8,061	-265to 68,600	4,695	-378to 43,450
Boat rental	9	32,719	3,300to 54,500	10,350	325to 37,000	7,681	210to 32,705	2,669	115to 5,484	1,033	-385to 3,684
Real estate development	4	13,386	4,850to 21,240	9,569	3,500to 14,700	1,395	545to 2,692	8,174	2,255to 13,286	7,505	1,193to 12,676
Recreational complex	4	90,180	28,850to 223,500	27,025	2,550to 87,500	18,770	1,045to 61,400	8,255	1,505to 26,100	3,746	-1,676to 14,925

1/ Includes annual cash expenses including property taxes. No depreciation expense is included.

2/ Annual income less annual expenses and a 5-percent charge for invested capital.

3/ Major use of farm or ranch.

4/ Secondary use of farm.

of the major enterprises are analyzed in terms of demand, supply, organization, and problems of operation. However, the operator often had more than one enterprise to meet the varied demand.

The capital investment, expenses, and income for models of successful ventures of each major kind are shown in the appendix.

Fishing Waters

Fishing waters include streams, lakes, ponds, reservoirs, and tidal waters; and when these are located near population centers they are suitable for a commercial enterprise. Man-made lakes and farm ponds that were built for watering livestock, fire protection, or flood control are becoming increasingly important for fishing, and they can be stocked and controlled. Many artificial lakes and ponds are now being built specifically for fishing.

In the areas studied, fishermen were usually men and boys who lived within an hour's drive of the fishing area. They usually spend a day or part of a day in the area. Since fishing was their primary interest, there was no need for other kinds of recreational facilities.

The Soil Conservation Service estimates that on June 30, 1963, there were 1,262,000 farm ponds in the United States, 619,000 of which were stocked with fish. This represents a stocked farm pond for every 300 people in the United States.

Many State and local governments develop waters for fishing. In the past, stocking was mainly done in streams, whereas now, more is done in special ponds, lakes, or in short expanses of streams that can be controlled. Instead of fingerlings, pan-size fish produced in hatcheries are released. Competition from public facilities may limit the expansion of private facilities, and also may limit the amount of the fee which can be charged.

The management of fishing waters, which has improved substantially in recent years, involves the level of water, fertilization, stocking and weed control. It also includes controlling the use in order to insure quality fish for the maximum number of fishermen.

Although a relatively small proportion of the more than 600,000 stocked farm ponds now allow fishing for a fee, many more could be made available. If a landowner controls access to public waters such as rivers, lakes, or tidal waters, he can charge sportsmen a fee for the right of access.

Often operators of fishing waters have a serious problem with poachers. They can control this by building the ponds near the farm dwelling or by fencing the areas. This problem should be given principal consideration in evaluating a pay-fishing enterprise.

There are wide variations in the nature of fishing enterprises. Some farmers merely place a receptacle at the entrance to their farm pond or stream where the user deposits a fee. There is no regular attendant, and the cost of

operation is small. Likewise, returns are small. At the other extreme is the specialist who has separate ponds or lakes for trout and for warm-water fish such as bass, bream, catfish, carp, and crappie. This operator stocks his ponds regularly. He may rent boats and sell bait, cold drinks, sandwiches, and tackle. He may also provide a picnic area.

Fees charged are commonly per pole or per fisherman for the day. For trout fishing or other specialties, the charges are based on the weight or length of fish taken.

Capital required for building a farm pond or lake varies from a few thousand dollars to more than $50,000, depending on the size, the value of the land, and the facilities developed to accommodate the fishermen (appendix, table 2.) In the Arkansas study, cost of construction averaged $175 per surface acre of water.

Fishing Guide Service

A fishing-guide service consists of guiding individuals or parties over substantial areas of water, and may include float trips on rivers, and fishing in large lakes, reservoirs, and tidal waters. The service is concentrated in such areas as the rivers and lakes of Maine; the lake areas of Michigan, Minnesota, and Wisconsin; lakes and streams of the Rocky Mountains and Pacific coast; the rivers of the Ozarks of Arkansas, Missouri, and Oklahoma; lakes and streams of Florida; the many large multiple-purpose, man-made lakes throughout the United States, and the coastal waters.

The guide may work for a guide-service corporation, or he may work independently. In either situation, the customer is provided with a guide, boat, motor, tackle, and necessary supplies. Transportation is provided, when required, from the headquarters to the fishing waters.

Customers may live several hours' travel distance from the area. They are usually not acquainted with the waters. Overnight accommodations in the area are often required.

Familiarity with an area is the prime requisite for a guide. Persons who are past their most active age or have limited education can make useful guides. Also, the capital requirements for a guide service are not large and may be provided by the guide-service corporation. Some farm operators serve as guides in slack periods.

Many camps that cater to fishermen and hunters provide guides as an added service. Often the fee is nominal, and guides who operate independently cannot charge much more than this. Usual charge for this service is only slightly above $1 per hour.

Vacation Farms

Vacation farms are commonly pictured as full-scale farms with beautiful and spacious old homes where guests are housed and fed. The guests have the

run of the farm, often helping with family chores. The concept includes a leisurely vacation in a picturesque area, where families with young children and limited means can enjoy the outdoors and where the children can become acquainted with plants and animals. Some guests may be elderly and wish to experience farm life for a brief period.

When school-age children are involved, the vacation must be taken during the summer, making an agreeable summer climate a necessity. Excess temperature, rainfall, or drought can make a vacation on a farm very disagreeable.

A national listing shows that vacation farms are rare in the South (9). With the exception of the mountains of northern Virginia, there are few listings south of a line running westward from Washington, D. C., to St. Louis, Mo. Also they are located mostly from Ohio eastward.

Since most families with school-age children are limited to summer vacations, some operators extend their season by catering to couples without children and to sportsmen. Those located in areas with good fishing and hunting may provide, or arrange for, guide service, dogs, boats, and motors.

Most vacationers expect to pay a relatively low price for farm living, and the fees charged are small. Usually the farm family has an oversize house so little expense is encountered in providing space. Similarly, underutilized labor is available. Food served the guests may be produced on the farm. Though the net income from paying guests is relatively small, it supplements the family income.

Hunting Areas

Most farmlands have some wild game. However, wild animals are qualified public property and as such subject to State and Federal laws. The landowner can charge only for the right to use his land to hunt. The amount he charges depends upon the demand for hunting and the availability and kind of game that can be harvested. Entry rights are leased on a seasonal or daily basis for hunting upland game, big game, and migratory water fowl.

Many farmers have found that by leasing entry rights during the hunting season, they can control the users of their land and obtain a supplemental source of income. Since the hunting season is a short period in the fall or winter, it interferes little with farming.

Owners of small-game lands have found that the leasing of entry rights to groups is more financially rewarding than leasing to individuals. Since a sizable acreage may be needed, a group of farmers may combine their holdings into an adequate acreage. In the typical commercial operation in South Carolina, an individual or group leases land from surrounding farmers and charges for hunting. Often the hunters are from the Northeast or Midwest.

For landowners located on or near water on the flyways, the leasing of shooting sites for migratory waterfowl is a good source of supplementary in-

come. Some landowners improve the hunting areas by flooding fields or constructing pits and blinds. In other instances, the user makes the improvements he desires. Rental varies with the desirability of the site, the improvements made, and the bag limits imposed for the season.

Big-game hunting is conducted much the same as upland-game hunting. However, in more isolated areas the services may involve not only the privilege of hunting, but room and board, guide service, and pack trips.

Improved transportation and more affluent hunters have increased considerably the number who travel a long distance to hunt. They may go to a well-stocked area to hunt big game, migratory waterfowl, or upland birds such as pheasants, quail, grouse, and woodcock. Overnight accommodations and guide service are commonly required. Recently, farmers have formed associations which advertise their lands and handle the business of assigning hunters to areas and providing guide service and overnight accommodations.

Shooting Preserves

Commercial shooting preserves provide facilities where domestically bred gamebirds are released for fee hunting. These are popular where the demand for hunting is heavy, as in the Northeast.

For the 1962-63 season, the Sportsman's Service Bureau listed 386 operators of shooting preserves in 38 States who were seeking additional business (28). Thirty-five percent of these preserves had only 1 species of birds available for the hunters; 27 percent, 2 species; 25 percent, 3 species; and 13 percent, 4 species or more. Pheasants, quail, chukars, and mallard ducks are commonly stocked. The Bureau reports approximately 1,500 shooting preserves throughout the United States. Some of these were clubs with open membership. However, a large proportion of these are not open to the public. Kozicky reported there were 1,663 preserves, 449 public and 1,214 private, in 1960 (15).

In 1961, 41 States permitted preserve shooting under special regulations. The season was usually extended to 6 months, and the bag limits for wild game did not apply.

An analysis of 10 shooting preserves in 4 States showed that those having net returns to family labor and management of more than $4,000, had capital investments of over $40,000. Successful operators stocked a minimum of 5,000 birds per shooting season, and realized a kill of over 75 percent of the birds released. These results were essentially in agreement with Kozicky's findings (14). The typical operator had the assistance of one full-time laborer and part-time help from the operator's wife.

Successful operators sold considerably more birds than the unsuccessful operators. Production costs per bird were only two-thirds as high for the successful firms as for the unsuccessful ones.

A major problem was the effect of bad weather on receipts. Most hunting was on weekends during the winter months. Unpleasant weather caused many

patrons to cancel reservations, thus leaving the operators with birds to dispose of in other ways. In an effort to cover this loss, many operators established an annual hunting fee for club membership. This entitles the member to a specified number of birds which he can either shoot or obtain dressed from the operator. If the member kills more birds than prescribed, he pays a charge for each additional bird.

To increase customer use, and provide business throughout the year, many successful operators provided trap-shooting facilities and kennels for boarding dogs. Special classes in the use and training of dogs also increased the percentage of released birds killed and net returns to the business.

The operator of a hunting preserve should know the characteristics of shooting-preserve patrons. The patrons of the 10 shooting preserves analyzed had these things in common. (1) They were males over 14 years of age; (2) they came singly or in groups; (3) they spent from $20 to $50 a day; (4) their equipment--guns, hunting jackets, etc.--probably cost each one over $250; (5) if they owned dogs, each was valued at more than $100; (6) they were members of a sportsmen's club; and (7) they were often businessmen entertaining a client.

The individual who patronizes a shooting preserve is apt to be a professionally trained person in the upper income strata of the urban population. Advertising in sports magazines, through sportsmen's clubs, and personal letters may influence him. In the study areas, personal contact was the most effective way to attract customers. This was done at clubs, by contacting friends of current patrons, or by utilizing addresses of hunting license purchasers.

Shooting preserves in the Northeastern and Central States usually are near relatively large urban areas. Patrons are mainly 1-day visitors who live less than a 2-hour drive from the preserve. In contrast, many guests of shooting preserves in the South fly or drive from northern cities, particularly late in the season, for a few days of shooting. These preserves are not necessarily located near large urban areas.

Campgrounds

The camper is attracted to an area by its physical characteristics. These may include climate, terrain, plant growth, streams, and lakes. The camper may also be attracted by the historical background of an area.

There are innumerable potential sites for campgrounds. However, 3 different national directories listed only 415 private campgrounds in the United States in 1960. Yet, the ORRRC found that many of these, when contacted, were actually publicly owned (22).

There are many campgrounds in this country on publicly owned, carefully selected sites. The charge, if any, is nominal. For these 2 reasons, the opportunities of private operators are limited in this area. They must either take care of the overflow from public campgrounds, develop special sites that campers will prefer, or be on well-traveled routes at a distance from other grounds.

An analysis of 19 successful private campgrounds in 3 States showed that receipts from camping fees alone did not cover operating costs and depreciation. Successful operators sold food and camping supplies or provided other services for a fee to their patrons. They usually had a few cabins for rent. The type of service offered depended on the site. If the facility was located near a lake or stream, water sports were emphasized. If it had mainly scenic appeal, painting and photography were fostered. Horseback riding, marksmanship, and handcrafts were emphasized in areas having neither water nor scenic appeal. A forest cover added to the appeal of campgrounds.

Some campgrounds cater to the transient trade. These are near cross-country highways and fairly close to cities which have facilities to service the needs of travelers. Camping fees are usually higher than those charged at vacation grounds. Special facilities such as showers, electricity, laundries, ice dispensers, and snackbars have been added to the camping facilities. The increasing use of various types of trailers has added to the services required of campground operators.

The successful campground operators had facilities sufficiently large to require their full time during the summer months.

Picnic Grounds

Picnicking is an outdoor activity in which all members of the family usually participate for a day or less. Areas are sought where a meal can be enjoyed in a pleasant outdoor setting.

Many farms have shady, grass-covered areas near water or other rural attractions which would be ideal for picnics. People pay a small fee for the privilege of using the land. Some farmers have posted coin containers and a schedule of charges at the entrance. To encourage the use of specific areas, minimum facilities such as tables and fireboxes are erected.

To be successful, a picnic ground must be readily accessible to a large number of potential customers. Guests usually reside less than an hour's driving time from the site.

In addition to accessibility, the availability of public picnicking areas should be considered to determine how they will affect volume of business. Picnicking areas should also be located where expansion is possible as demand increases.

Since trash, litter, and garbage accumulate in picnic areas, daily collection of waste may be necessary. Garbage cans and litter containers located at appropriate spots will help keep the area clean and attractive.

Although many farmers have established picnicking areas on their properties, most have derived only supplementary income from them. The nature of picnicking restricts the fee which can be charged. Space is rented for only a short period of time. Many of those who have invested considerable amounts in playground equipment, toilets, drinking water, or other improvements, have obtained

only meager returns, and others have had a net loss. This has occurred mainly because they have not kept their areas attractive or did not, or could not, charge a fee commensurate with their costs. Before investing much money in this type of venture, a farmer should make certain that there is sufficient demand for it and that the facilities he plans to erect are such that costs will not be greater than receipts.

Riding Stables

Little is known of the number of riding stables or of riding horses for hire in the United States. The ORRRC estimated that about 1.4 million riding horses were needed in 1960 (23). About 7.6 million people 12 years of age or older rode a horse that year on a total of 55 million occasions (18). The forecast by ORRRC indicates a 49-percent increase between 1960 and 1976 in the number of occasions a horse will be ridden, or an additional 27 million occasions.

An analysis of the reports on riding stables in 6 States indicated that the most successful businesses were located near population centers or large recreation complexes. Stables near public riding trails had the highest intensity of use and the lowest capital investment. When the stables were located near a suburb and the operator used his own land for trails, his major capital investment was in land. To recover the interest on this investment, the facility had to be intensively used. Riding school operators often supplemented their income by training and boarding horses.

A major problem of operating a riding stable was getting and keeping trained horses. Horses that were seldom ridden in the winter months often had to be retrained each spring, or new ones had to be purchased and trained at substantial expense.

Operators of riding stables most often mentioned the lack of adequate insurance at reasonable rates as their most pressing problem. Some operators, particularly in remote rural areas, were unable to locate a broker who would write such a policy. Those companies that issued this insurance had variable rates, ranging from $60 per horse per year near urban areas to $27.50 per horse per year in the country. Incorporation of the riding business was one method used to limit liability where adequate insurance could not be obtained (6).

Organized Summer Camps

Organized camps for boys and girls provide outdoor recreation plus fellowship in group living. Emphasis is on physical activity, citizenship, arts and crafts, and nature study. In some instances, instruction is provided in religion.

In 1961, the American Camping Association listed over 2,800 members, with over 2,000 sponsored by religious and other institutional groups (1). Only about 875 camps were operated privately for profit.

In 1961, more than 75 percent of the privately operated camps were located in 9 States (California, Maine, Massachusetts, Michigan, New Hampshire, New York, Pennsylvania, Vermont, and Wisconsin). Most of these camps were located on a lake, at the seashore, or by a stream in the mountains. It appears that camps are more successful when accessible to metropolitan centers and located in areas with a pleasant summer climate.

Children's camps commonly have a 4-week program, and 2 sessions are usually offered during the summer. The average fee in 1961 for the privately operated camps was $300 for a 4-week session. They catered mainly to children 5 to 14 years of age.

The average camp handled 120 children per session. Newer camps tended to be larger than older camps.

Demand for organized camps is affected by the number of children in the participating age group and the incomes of parents. The ORRRC study estimated that by 1976 there would be about 22 percent more children in the 5-to 14-year age group than in 1960. Family incomes over $10,000 will increase from 14 percent of all families in 1957 to 40 percent in 1976 (18). As a result, the demand for boys' and girls' camps will increase threefold to fourfold. The number of privately operated camps will probably increase much more rapidly than institutional camps because most private camps offer more and better services and more parents will be able to pay for them.

In 1960, the expenditure for sending children to privately operated camps was about $65 million. By 1976, this outlay probably will be $650 million. About 9,000 privately owned camps will be needed to satisfy this demand.

Operators of camps in the 6 areas studied indicated that vandalism caused considerable loss of property during the off-season. Those having the smallest loss had a caretaker. Many successful operators found that participation in local community affairs reduced their losses and promoted community cooperation. Another important expense item was repair of access roads. Designation of these roads as State or county roads reduced this expense greatly.

Often an otherwise desirable location for a camp lacks an adequate water supply. The operators therefore recommended that an adequate source of water be determined before a campsite is established.

Most operators strove for a high percentage of repeat business. This required that both parents and children be satisfied. Parents were attracted by good motel or resort facilities nearby, as many came to camp to visit their children and required overnight accommodations.

All operators indicated a shortage of well-trained counselors. They depended largely upon high school and college youths who required training during the camping season.

The capital outlay needed to establish an adequate camp for 120 children is $100,000 to $200,000. The returns are satisfactory for the camps that are well managed.

Live-Bait Production

The annual expenditure for live bait has become sizable. A generation ago, the fisherman gathered his own, but today it is generally purchased. Some suppliers who harvest bait such as grasshoppers, worms, crayfish, and minnows and offer it for sale may make a few additional dollars annually, but not enough to support a family. As a result, many individuals produce live bait under controlled conditions as a major source of income.

Minnow production, once a small enterprise on many farms, is now specialized and largely confined to a few producers. Minnow producers have production and marketing problems which are more acute than for most farm commodities. Since producers must guarantee a livable product, special care is required in transit and in storage at the retail outlet. Minnows are kept in holding areas a week or two at controlled temperatures. The jobber delivers them to the retail outlets. One jobber in Missouri traveled over 1,000 miles per week to service 70 retail outlets.

Minnow production requires a large supply of cool water. A large spring is almost a prerequisite. To control the water temperature, most producers construct ponds that are less than 1 acre in size. Successful operators have over 50 ponds per employee.

The capital investment needed to construct these facilities is large, ranging from $750 to $1,000 a pond. In addition, an expenditure of $15,000 in service equipment, feed, and other items may be needed.

Through the use of holding areas and large trucks, minnows can be transported many miles, and a producer in the Central States can service almost any area in the United States.

The technical knowledge required in minnow production and marketing makes it almost imperative that this be a full-time enterprise. It is not an enterprise for a novice. Apprenticeship with a successful operator is highly desirable. Once an operator has entered the field, he must guard his market by satisfying his customers.

Earthworms, crayfish, grasshoppers, and some other types of bait are produced or collected for sale. Earthworms are present in most moist soils. Since almost anyone can use his spade to obtain a supply, the competition from a relatively free item makes this enterprise rather unprofitable. Some producers, particularly in the West, provide earthworms to horticulturists for ground conditioning.

Sale of Building Sites

Rural lands that can be developed for attractive building sites or for recreational use increase substantially in value as the demand for outdoor recreation increases (4). People desire to be near a lake, stream, golf course, or park. Such areas become attractive for summer or year-round homes, for organized campsites, and other recreational uses. The demand for summer

homes in a rural setting will increase as the pressure of urbanization continues and as incomes rise. These second residences usually are used on weekends and are located within a few hours' drive of the owner's permanent home.

Many farmers already have recognized that agricultural land can be made much more valuable by converting it to residential sites. One common procedure has been the construction of a small lake in an attractive area where summer homes can be built. The land usually has a relatively low value. Building sites can be sold for a price that provides a profit above cost of land and development. Areas around golf courses, along streams, or overlooking valleys also have appeal for building sites.

A major concern of the operator is to acquaint people with the area. This may be done by developing a recreational area at the site.

The most common technical problem encountered has been in developing adequate water and sewage disposal systems. A problem encountered with artificial lakes has been seepage from the dams. Many of these problems can be avoided by consulting technicians and following their advice.

Recreational Complexes

Some people like to play golf; some prefer to fish or swim; others want to ride a horse, or hike through the woods. People with a variety of interests may be found in a recreational party or family group. The variety of experiences desired on a visit depends on length of stay, number in the party, and the divergence of their interests.

To meet a larger number of these wants and thus attract more guests for longer periods, some operators have developed recreation complexes with several kinds of facilities. In other communities, operators have worked together to establish complementary enterprises to meet the varied demands. An operator of a campground may be successful if he is near a stocked lake, golf course, picnic ground, scenic or historic area, or any number of other attractions. Isolated, he could not survive.

This type of development need not be restricted to any area. It may be near a metropolitan center or in a rural area. In the latter situation, the venture must have unique features to draw people from some distance.

Complexes require a relatively large capital outlay, specialists to supervise each facility, and a large expenditure for advertising. This type of venture requires the full-time efforts of one or more persons to manage it. Off-season time must be spent in advertising, maintenance, and making the facilities more attractive.

APPENDIX

Investment, Expense, and Income Statements Depicting the Characteristics of Successful Enterprises

The following financial statements for the major kinds of recreation enterprises were developed from data on the more successful businesses surveyed in the study. Success implies sufficient net cash income to equal annual depreciation, interest on investment, and wages for unpaid family labor. For this purpose, the annual depreciation and repairs averaged 5 to 10 percent of the original cost of buildings and other permanent-type structures, and 10 to 20 percent of the cost of operating equipment. Interest on investment was charged at 5 percent.

Table 2.--Investment, income, costs, and returns for a fishing lake, 1961

Item	Amount
Capital investment:	
Land (75 acres)	$ 7,500
Land improvement	500
Buildings and permanent structures	5,500
Operating equipment	1,500
Other	500
Total	$15,500
Income:	
Fishing	$ 1,800
Boating	500
Snackbar, tackle, etc.	1,000
Total	$ 3,300
Expenses:	
Repairs	$ 150
Retail sales	500
Total	$ 650
Net cash return	$ 2,650
Depreciation	$ 275
Net return to family labor, management, and investment	$ 2,375
Interest on investment	$ 775
Return to family labor and management	$ 1,600
Amount of family labor	90 days

Table 3.--Investment, income, costs, and returns for a fishing guide service, 1961

Item	Amount
Capital investment: boat and motor	$ 750
Cash income: guide service ($20 per day)	$1,200
Cash expenses:	
Gas and oil	$ 175
Insurance and guide license	75
Repairs	75
Total	$ 325
Net cash income	$ 875
Depreciation	$ 75
Net return to labor, management, and investment	$ 800
Interest on investment	$ 38
Return to labor and management	$ 762
Amount of labor	60 days

Table 4.--Investment, income, costs, and returns for a vacation farm, 1961

Item	Amount
Capital investment:	
Remodeling	$ 500
Operating equipment	$ 300
Miscellaneous	$ 200
Total	$1,000
Cash income: lodging 1/	$2,600
Cash expenses:	
Advertising	$ 100
Utilities	75
Repairs	30
Insurance	75
Supplies	825
Miscellaneous	75
Total	$1,180
Net cash income	$1,420
Depreciation on investment	$ 00
Net return to family labor management and investment	$1,420
Interest on investment	$ 50
Return to family labor and management	$1,370
Amount of family labor	50 days

1/ Capacity for 8 guests.

Table 5.--Investment, income, costs, and returns for a hunting area, 1961

Item	Amount
Value of farm (5,000 acres)	$250,000
Clubhouse	5,000
Cash receipts (lease of trespass rights to hunting area)	2,000
Cash expenses: wildlife feed plots	150
Net cash income	1,850
Depreciation on clubhouse	250
Net return to family labor, management, and investment	1,600
Interest on investment on clubhouse	250
Return to family labor and management	1,350
Amount of family labor	10 days

Table 6.--Investment, income, costs, and returns for a shooting preserve, 1961

Item	Amount
Capital investment:	
Land (250 acres)	$20,000
Clubhouse	15,000
Game-rearing equipment	5,000
Rearing pens	5,500
Holding pens and equipment	7,000
Dog kennels	1,500
Traps	5,000
Dogs	1,500
Miscellaneous	1,000
Total	$61,500
Receipts:	
Hunting	$20,250
Refreshments	1,000
Dog training	2,500
Guide fee	1,500
Trap shooting	1,000
Dressing game	1,500
Total	$27,750
Expenses:	
Advertising	$ 1,000
Utilities	500
Repairs	2,400
Feed	6,000
Eggs	400
Annual cost of breeding stock	2,000
Refreshments	500
Traps, etc.	300
Taxes and insurance	450
Labor	4,500
Total	$18,050
Net cash return	$ 9,700
Depreciation on investment	$ 750
Net return to family labor, management, and investment	$ 8,950
Interest on investment	$ 3,075
Return to family labor and management	$ 5,875
Amount of family labor	300 days

Table 7.--Investment, income, costs, and returns for a campground, 1961

Item	Amount
Capital investment:	
Land (30 acres)	$ 2,000
Permanent structures	2,000
Operating equipment	13,500
Total	$17,500
Cash income:	
Camping ($1.50 per campsite)	$ 3,000
Sale of merchandise	2,000
Rental of equipment	7,200
Total	$12,200
Cash expenses:	
Advertising	$ 200
Utilities	150
Repairs	1,350
Taxes and licenses	250
Supplies	1,000
Merchandise	1,000
Miscellaneous	500
Total	$ 4,450
Net cash return	$ 7,750
Depreciation on investment	$ 100
Net return to family labor, management, and investment	$ 7,650
Interest on investment	$ 875
Return to family labor and management	$ 6,775
Amount of family labor	350 days

Table 8.--Investment, income, costs, and returns for a picnicking area, 1961

Item	Amount
Capital investment:	
Land (250 acres)	$2,000
Operating equipment	1,500
Total	$3,500
Cash income:	
Picnicking fees ($1 per car)	$1,000
Snackbar	500
Total	$1,500
Expenses:	
Repairs	$ 150
Refuse collection	150
Real estate taxes and license	200
Insurance	125
Total	$ 625
Net return to family labor, management, and investment	$ 875
Interest on investment	$ 175
Net return to family labor and management	$ 700
Amount of family labor	50 days

Table 9.--Investment, income, costs, and returns for a riding stable, 1961

Item	Amount
Capital investment:	
Land (100 acres)	$20,000
Land improvement	5,000
Buildings and permanent structures	3,000
Operating equipment:	
Horses	7,500
Operating equipment	9,000
Feed	1,000
Other	500
Total	$46,000
Cash income: horseback riding 1/	$20,000
Expenses:	
Property taxes	$ 200
Advertising	500
Supplies, feed, etc.	4,000
Labor (hired)	4,500
Insurance	1,000
Repairs on equipment	900
Miscellaneous	500
Total	$11,600
Net cash income	$ 8,400
Depreciation on investment	$ 150
Net income to family labor, management, and investment	$ 8,250
Interest on investment	$ 2,300
Return to family labor and management	$ 5,950
Amount of family labor	300 days

1/ 40 horses ridden an average of 400 hours per year at $1.25 per hour.

Table 10.--Investment, income, costs, and returns for an organized camp, 1961

Item	Amount
Capital investment:	
Land (160 acres)	$ 16,000
Land improvement	10,000
Buildings and permanent structures	120,000
Operating equipment	20,000
Total	$166,000
Cash income: fees 1/	$ 76,800
Cash expenses:	
Utilities	$ 1,500
Food	20,160
Labor	22,000
Advertising	3,000
Property tax and license	1,600
Insurance	2,000
Other supplies	2,000
Repairs	2,000
Total	$ 54,260
Net cash return	$ 22,540
Depreciation on investment	$ 6,000
Net return to family labor, management, and investment	$ 16,540
Interest on investment	$ 8,300
Return to family labor and management	$ 8,240
Amount of family labor	250 days

1/ Returns from 120 guests paying an average of $640 per 8-week session.

Table 11.--Investment, income, costs, and returns for a minnow-production enterprise, 1961

Item	Amount
Capital investment:	
Land (100 acres including large spring)	$10,000
Land improvement	500
Buildings and permanent structures 1/	40,000
Operating equipment	15,500
Value of inventory, feed, etc.	4,500
Total	$70,500
Cash income 2/	$32,000
Expenses:	
Utilities	$ 500
Supplies and equipment	11,500
Repairs	1,550
Property tax and license	955
Insurance	75
Total	$14,580
Net cash return	$17,420
Depreciation on investment	$ 2,000
Net return to family, labor management, and investment	$15,420
Interest on investment	$ 3,525
Return to family labor and management	$11,895
Amount of family labor	500 days

1/ Includes 50 ponds.

2/ The operator produces 400 pounds of minnows per pond. Sale price $1.60 per pound.

Table 12.--Investment, income, costs, and returns for a real estate development 1/

Item	Amount
Capital investment:	
Land (60 acres)	$ 6,000
Land improvement	3,000
Buildings and permanent structures	10,000
Operating equipment	500
Other	1,000
Total	$20,500
Sale (70 lots @ $1,000 per lot)	$70,000
Annual sale (14 lots)	$14,000
Annual expenses:	
Advertising	$ 500
Real estate taxes	200
Repairs and fees	50
Insurance	25
Total	$ 775
Net cash return	$13,225
Annual cost of assets liquidated	$ 4,100
Net return to family labor and investment	$ 9,125
Interest on investment	$ 562
Return to family labor and management	$ 8,563

1/ Investment would be liquidated within 5 years.

Table 13.--Investment, income, costs, and returns for a recreational complex, 1961

Item	Amount
Capital investment:	
Land (500 acres)	$ 50,000
Land improvement	20,000
Buildings and permanent structures	150,000
Operating equipment	12,000
Merchandise inventory	10,000
Other	5,000
Total	$247,000
Cash income:	
Entry	$ 50,000
Boating	2,000
Hunting	5,000
Fishing	3,000
Horseback riding	6,000
Cabin rental	15,000
Retail sales	3,000
Restaurant	25,000
Other	2,000
Total	$111,000
Cash expenses:	
Advertising	$ 15,000
Utilities	5,000
Supplies and equipment	35,000
Repairs	1,200
Property tax and license	750
Insurance	2,000
Labor	20,000
Total	$ 78,950
Net cash income	$ 32,050
Depreciation on investment	$ 7,500
Net return to family labor, management, and investment	$ 24,550
Interest on investment	$ 12,350
Return to family labor and management	$ 12,200
Amount of family labor	300 days

SELECTED BIBLIOGRAPHY

(1) American Camping Association
1961. Directory of Accredited Camps and Camps Awaiting Accreditation. Bradford Woods, Martinsville, Ind.

(2) Bennett, George W.
1962. Management of Artificial Lakes and Ponds. Reinhold Publishing Corp., New York.

(3) Bird, Ronald
1963. Income Potential of Various Kinds of Farm Recreational Enterprises in Missouri. Mo. Agr. Expt. Sta. Bul. 783. Dec. (U. S. Dept. Agr. cooperating.)

(4) Bird, Ronald, and Fenley, Robert D.
1962. Contribution of Part-Time Residents to the Local Economy of a County in the Missouri Ozarks, 1960. Mo. Agr. Expt. Sta. Res. Bul. 814. Dec. (U. S. Dept. Agr. cooperating.)

(5) Bird, Ronald, and Miller, Frank
1962. Contributions of Tourist Trade to Incomes of People in Missouri Ozarks. Mo. Agr. Expt. Sta. Res. Bul. 799. Mar. (U. S. Dept. Agr. cooperating.)

(6) Crews, James F., and Bird, Ronald
1963. Liability Risks in Operating a Farm Recreational Enterprise in Missouri. Mo. Agr. Expt. Sta. Bul. 801, July. (U. S. Dept. Agr. cooperating.)

(7) Davis, Jeanne M.
1963. Farm Vacations in East Central Ohio--Development, Profits, and Problems. U. S. Dept. Agr., ERS-113, May.

(8) _____
1964. Farm Vacation Enterprises in Ohio. U. S. Dept. Agr., ERS-164, May.

(9) Farm Vacations and Holidays, Inc.
1964. 1964 Farm Vacation Guide to Recommended Farms, Ranches, Lodges, Inns in 50 States and Canada. 36 East 57 Street, New York.

(10) Foster, John H.
1963. Private Outdoor Recreation Industry in Berkshire, Hampshire, and Hamden Counties: Massachusetts, 1962. Mass. Agr. Expt. Sta. Pub. 393, Parts I and II, March (cooperating with Ext. Serv.)

(11) Holcomb, Carl J., Conklin, Howard E., and Winch, Fred E., Jr.
1963. Opportunities for Private Campgrounds as an Alternative use of Land. Va. Polytech. Inst. Agr. Ext. Serv. Cir. 792. Feb.

(12) Holmes, O. W.
1964. A Survey of Private Outdoor Recreational Facilities in Rural Areas of Western Oregon. Special Rpt. 173, Oreg. Agr. Expt. Sta. (U. S. Dept. Agr. cooperating.)

(13) Jordan, Max F.
1963. Opportunities for Improving Rural-Family Income Through Recreation Enterprises. Ark. Expt. Sta. Bul. 673, June, (U. S. Dept. Agr. cooperating.)

(14) Kozicky, Edward L.
1960. Economic Survey--Shooting Preserves, 1958-59 Hunting Season. Conservation Department, Olin Mathieson Chem. Corp. Alton, Ill.

(15) _____
1962. Fee Hunting is Growing. Outdoor America. Oct.

(16) McElveen, Jackson V.
1964. Farm Outdoor Recreation Enterprises in South Carolina. S. C. Agr. Expt. Sta. (U. S. Dept. Agr. cooperating.) Aug.

(17) Moore, Elmer J.
1964. Rural Recreation Enterprises in New England; Investments, Returns and Problems. U. S. Dept. Agr. Agr. Econ. Rpt. 56, May.

(18) Outdoor Recreation Resources Review Commission
1962. Outdoor Recreation for America. A Report to the President and to the Congress. Washington, D. C. Jan.

(19) _____
1962. The Quality of Outdoor Recreation: As Evidenced by User Satisfaction. ORRRC Study Rpt. 5, U. S. Govt. Printing Off. Washington, D. C.

(20) _____
1962. Hunting in United States. ORRRC Study Rpt. 6. U. S. Govt. Printing Off. Washington, D. C.

(21) _____
1962. Sport Fishing--Today and Tomorrow. ORRRC Study Rpt. 7. U. S. Govt. Printing Off. Washington, D. C.

(22) _____
1962. Private Outdoor Recreation Facilities. ORRRC Study Rpt. 11. U. S. Govt. Printing Off. Washington, D. C.

(23) _____
1962. National Recreation Survey. ORRRC Study Rpt. 19. U. S. Govt. Printing Off. Washington, D. C.

(24) _____
1962. Participation in Outdoor Recreation: Factors Affecting Demand Among American Adults. ORRRC Study Rpt. 20. U. S. Govt. Printing Off. Washington, D. C.

(25) Owens, Gerald P.
1964. Income Potential from Outdoor Recreation Enterprises in Rural Areas in Ohio. Ohio Agr. Expt. Sta. Res. Bul. 964, Feb. (U. S. Dept. Agr. cooperating.)

(26) Rush, John D., and Botts, Ralph R.
1963. Liability and Insurance Protection for Farmers who have Income-Producing Recreational Facilities. U. S. Dept. Agr., ERS-120, June.

(27) Schmedemann, Ivan W., Wooten, A. B., and Franklin, W. D.
1964. Outdoor Recreation--Potential in East Texas. Tex. Agr. Expt. Sta. Bul. 1013. Texas A. & M. Univ. July.

(28) Sportsman's Service Bureau
1962-63 National Shooting Preserve Directory. Ralston Purina Co., St. Louis 2, Mo.

(29) United States Department of Agriculture.
1962. Rural Recreation--A New Family-Farm Business. Report of Task Force on Income-Producing Recreation Enterprises on Farm Land. U. S. Govt. Printing Off. Washington, D. C.

(30) _____
1963. Rural Recreation Enterprises for Profit. Agr. Inf. Bul. 277, Oct.

(31) _____
1963. Rural Recreation, New Opportunities on Private Land. Misc. Pub. 930, June.

(32) _____
1964. Taxation of Recreational Enterprises on Private Rural Lands. ERS-144, Jan.

(33) United States Department of the Treasury
1962. Depreciation--Guideline and Rules. Pub. No. 456 (7-62), U. S. Govt. Printing Off. Washington, D. C. July.

(34) _____
1962. Depreciation, Investment Credit, Amortization, Depletion. Doc. No. 5050 (12-62), Dec.

U. S. Department of Agriculture
Washington, D. C. 20250

POSTAGE AND FEES PAID
U. S. Department of Agriculture

OFFICIAL BUSINESS